

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:)	Docket No. 01-AFC-1
)	
Application for Certification for the)	Staff's Response to Applicant's
FPL Energy Sacramento Power , LLC)	Proposed Revision to Committee
RIO LINDA/ELVERTA POWER)	Scheduling Order
<u>Project (RLEPP)</u>)	(July 27, 2001)

On August 3, 2001, the applicant for the Rio Linda/Elverta Power Project (project), FPL Energy Sacramento Power, LLC (the applicant), filed a request with the Presiding Committee to revise the Committee schedule issued June 4, 2001. The applicant is contemplating potential changes to the project and expects that it will file a supplement to its Application for Certification (AFC) by October 1, 2001. Potential changes include modifications to address 1) visible plumes, 2) turbine hall design, 3) noise concerns, and 4) water supply. The applicant may also include a modified interconnection configuration. This latter change would require additional biological resources and cultural resources surveys, and an evaluation of potential downstream transmission effects. The applicant proposes that staff issue its PSA 60 days after submittal of the AFC supplement and that the Prehearing conference be moved to mid-January. This filing contains staff's response to the applicant's proposal.

As a preliminary matter, staff notes that the applicant is encountering difficulties in finalizing arrangements that are critical to the project's licensing. For example, the Sacramento Metropolitan Air Quality Management District (SMAQMD) indicates that the Preliminary Determination of Compliance will not be filed until mid-September at the earliest, and may in fact be much later. The applicant has submitted some information to staff about the offset package, but both SMAQMD and USEPA have raised several issues about the proposed offsets and about delegation of authority to issue a Prevention of Significant Deterioration permit. These issues may take several months to resolve. In addition, although the applicant submitted a conditional will-serve letter from the Rio Linda/Elverta Community Water District (RLECWD), it is clear from the correspondence and filings by both parties that substantial uncertainty remains about the conditions under which RLECWD would provide cooling water to the project. Finally, there were significant deficiencies in the responses provided by the applicant to staff's first round of data requests. Staff agreed at the data response workshop held on July 17 and 18, 2001 to refine these requests and include them in its second round of data requests, which we will issue on August 28, 2001.

As a result, staff agrees with the applicant that it is appropriate to suspend the current schedule. However, rather than establish a new schedule at this time, staff recommends that the Committee instead issue an order suspending staff work on the project until all of the following events occur:

1. The applicant provides complete answers to the staff's second round of data requests, to be issued on August 28, 2001;
2. The applicant provides its AFC supplement; and
3. SMAQMD issues the PDOC.

Once these events occur, staff can resume its analysis of the project. We note, however, that the applicant's schedule does not accommodate any additional discovery on the supplement it expects to file. Although staff cannot know until we review the supplement how extensive any such data requests may be, we believe it is prudent to allow a minimum of 15 days for the preparation of data requests, 30 days for the applicant to prepare responses, and a minimum of 15 days for staff to review the responses and incorporate them into a PSA. In addition, we note that many of the applicant's responses to the first round of data requests were filed quite late, and we do not know whether the applicant will be able to meet the 30-day deadline for the second round of requests. Finally, we recommend that the Committee include a date for publication of the FSA prior to the Prehearing Conference.

Respectfully submitted,

Date:

CARYN HOLMES
Attorney for Energy Commission Staff

1516 9th St.
Sacramento, CA 95814
Ph: (916) 654-4178
e-mail: cholmes@energy.state.ca.us